

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

MICHAEL MCGRATH,
Plaintiff,

v.

ZTO EXPRESS (CAYMAN) INC., et al.,
Defendants.

Case No. 17-cv-05364-JST

**ORDER REGARDING MOTION TO
REMAND AND MOTION TO
TRANSFER**

Re: ECF Nos. 4, 19

Before the Court is Plaintiff's motion to remand and Defendants' joint motion for transfer. ECF Nos. 4, 19. The Court will grant Plaintiff's motion to remand and deny defendants' joint motion for transfer.

This securities class action was commenced in the Superior Court of the State of California, County of San Mateo, on August 21, 2017. ECF No. 19 at 10. The named plaintiff is Michael McGrath ("Plaintiff"). See id. Defendants include ZTO Express Inc., Meisong Lai, Jianmin Guo, Jianfa Lai, Jilei Wang, Xiangliang Hu, Baixi Lan, Xing Liu, and Frank Zhen Wei; Morgan Stanley & Co. International plc, Goldman Sachs (Asia) L.L.C., China Renaissance Securities (Hong Kong) Limited, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, and J.P. Morgan Securities LLC (collectively "Defendants"). See id. at 9 n1. Plaintiff brings this claim on behalf of all persons who purchased or otherwise acquired the common stock of ZTO pursuant or traceable to the registration statement and prospectus issued in connection with the Company's initial public offering commenced in October 2016 (the "Offering"). See id. at 10 n2. The action asserts claims solely under §§11, 12(a)(2) and 15 of the Securities Act of 1933 against "the Company, certain Company officers and directors, certain venture capital firms subject to liability as control persons, and the underwriters of the Offering." See id.

On September 15, 2017, Defendants removed the action to this Court under 28 U.S.C. §1441(a), which authorizes removal of federal claims “[e]xcept as otherwise expressly provided by Act of Congress.” See ECF No. 1.

Defendants filed their motion to transfer on September 15, 2017. ECF No. 4. Plaintiff filed his opposition to the motion to transfer on September 29, 2017. ECF No. 24. Defendants filed their reply on October 6, 2017. ECF No. 27.

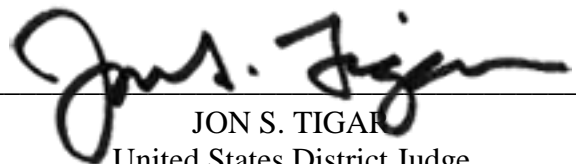
Plaintiff filed his motion to remand on September 26, 2017. ECF No. 19. Defendants filed their opposition to the motion to remand on October 10, 2017. ECF No. 36. Plaintiff filed his reply on October 17, 2017. ECF No. 40.

On October 6, 2017, this Court related the current action to Guo v. ZTO Express (Cayman), Inc., 3:17-cv-05357-JST. ECF No. 31. The parties in this action filed nearly identical motions, responses, and replies to those filed in Guo. Compare ECF Nos. 4, 19, 24, 27, 36, 40, with Guo, ECF Nos. 5, 15, 24, 26, 31, 32.

In light of the similarity between the papers filed in this case and in Guo, the Court need not set forth its reasoning here at length. For the reasons set forth in Guo, this Court grants Plaintiff’s motion to remand. This action is hereby remanded to the San Mateo Superior Court. Defendants’ motion to transfer and request for stay are denied.

IT IS SO ORDERED.

Dated: December 22, 2017


JON S. TIGAI
United States District Judge